

TIMBER NOTICE OF SALE

SALE NAME: THE BIG KAHUNA

AGREEMENT NO: 30-076006

AUCTION:

March 22, 2005 starting at 10:00 a.m.,
South Puget Sound Region Office, Enumclaw, WA

COUNTY: Lewis

SALE LOCATION:

Sale located approximately 10 miles southeast of Elbe.

PRODUCTS SOLD
AND SALE AREA:

All timber bounded by white timber sale boundary tags, except those trees marked with blue paint or bounded by yellow leave tree area tags in Unit #1 and Unit #2; all timber bounded by orange right of way tags on part(s) of Sections 29 and 32 all in Township 15 North, Range 6 East, W.M., containing 160 acres, more or less.

ESTIMATED SALE VOLUMES AND QUALITY:

Species	Avg DBH	Ring Count	Total MBF	Total \$/MBF	MBF by Grade								
					1P	2P	3P	SM	1S	2S	3S	4S	UT
Douglas fir	19.5	8	5,878	\$331.75				570		3,432	1,608	268	
Hemlock	12.3		1,721	\$102.25						441	981	300	
Red alder	12.6		482	\$166.00						11	134	336	
Red cedar	16.8		157	\$561.00							128	29	
Cottonwood	34		12	\$5.00					8	4			
Sale Total			8,250										

MINIMUM BID:

\$331.75/MBF (est. value \$2,294,000.00)

BID METHOD: Sealed Bids

PERFORMANCE SECURITY:

\$100,000.00

SALE TYPE:

MBF Scale

EXPIRATION DATE:

October 31, 2007

ALLOCATION:

Export Restricted

BIDDABLE SPECIES:

Douglas fir

BID DEPOSIT:

\$229,400.00 or Bid Bond. Said deposit shall constitute an opening bid at the appraised price.

HARVEST METHOD:

Ground based equipment on slopes less than 30 percent, except shovel logging which is in accordance with Schedule A, and cable logging on slopes greater than 30 percent. If Purchaser elects to shovel log, shovel logging shall be in accordance with the attached Shovel Logging Specifications as identified in Schedule A, which is part of the contract. Falling and Yarding will not be permitted from November 1 to May 31 unless authorized in writing by the Contract Administrator. Falling and yarding will also not be permitted on weekends or state recognized holidays.

ROADS:

64.16 stations of required construction. 75.99 stations of optional construction. 48.41 stations of required pre-haul maintenance. Purchaser maintenance on the 11, 111, 112, 113, 114, E-560, F-100, F-120, F-124 and the F-1241 Roads. Designated maintenance on all other roads used. Road construction will not be permitted from November 1 to May 31 unless authorized in writing by the Contract Administrator to prevent damage to the subgrade. The hauling of forest products will not be permitted from November 1 to May 31 unless authorized in writing by the Contract Administrator at all on weekends or state recognized holidays to prevent damage to the subgrade.

ACREAGE DETERMINATION

CRUISE METHOD:

Acreage for the units was determined by photo interpretation. The units were cruised using a variable plot sample with a BAF of 54.45 on a 400x330 foot grid. The right of ways were cruised using a variable plot sample with a BAF of 54.45 every 736 feet. The cruiser placed baselines and estimated acreage to be different than what was photo interpreted. See cruise for details.

FEES:

\$109,313.00 is due on day of sale. \$9.00 per MBF is due upon removal. These are in addition to the bid price.

SPECIAL REMARKS:

The Purchaser is responsible for purchasing and installing a portable 60 foot by 14 foot steel or steel and concrete bridge over a Type 3 stream for construction of the 11 Road.